

MINUTES OF SPECIAL MEETING OF HARRIS COUNTY IMPROVEMENT DISTRICT #1

JULY 31, 2014

THE STATE OF TEXAS §
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COUNTY OF HARRIS §

The Board of Directors of Harris County Improvement District #1 (the "District") held a meeting of the Board of Directors at 2:00 p.m. on the 31st day of July, 2014 at Two Post Oak Central, 1980 Post Oak Boulevard, Suite 1700, Houston, Texas, 77056, within the boundaries of the District, and the roll was called of the members of the Board, to wit:

Patty Bender
Todd H. Casper
Martin Debrovner
Steven D. Lerner
Kendall A. Miller
Mary Catherine Miller
John Mooz
Greg Noble
Lisa Simon
Kerr Taylor
Ed Wulfe
Jonathan Zadok

and all of said directors were present except Directors Bender, Noble, Casper and Debrovner, thus constituting a quorum. Also present at the meeting were Mr. John Breeding, President of Harris County Improvement District #1, Mr. Stephen Wood, Mr. Robert Taube, Ms. Delia Mizwa, Ms. Shannon Daniels, Ms. Lauren Anderson, Ms. Katie McDonough, Mr. Bob Ethington, Mr. Rod Smith, and Ms. Lyndsey Peterson of Harris County Improvement District #1; Ms. Johnna Carlson of Congressman Ted Poe's office, Mr. Ramesh Gunda of Gunda Corporation, Ms. Margarita Dunlap of METRO, and Ms. Kim Pettit and Mr. Jim Scarborough of the Cosmopolitan.

APPROVE MINUTES OF JUNE 25, 2014 BOARD OF DIRECTORS MEETINGS

Kendall Miller, Chairman, called the meeting to order and asked the members to read the Minutes of the June 25, 2014 meeting. Director Simon

moved that the Board approve the Minutes as written. Director Lerner seconded the motion, which was approved by unanimous consent.

RECEIVE COMMENTS OR QUESTIONS FROM THE PUBLIC FOR THE AUTHORITY

Mr. Jim Scarborough spoke against the Post Oak Boulevard project. He also spoke against both the Memorandum of Understanding between the Metropolitan Transit Authority, the City of Houston, TIRZ 16, the Uptown Development Authority and the District and the Memorandum of Understanding between the Texas Department of Transportation, the Metropolitan Transit Authority, TIRZ 16, and the Uptown Development Authority.

APPROVE THE QUARTERLY INVESTMENT REPORT

Ms. Daniels presented the Quarterly Investment Report showing the amount and location of the District's monies at the end of June, 2014. Director Lerner moved that the Board approve the Report. Director Wulfe seconded, which was unanimously approved.

POST OAK BOULEVARD UPDATE

Mr. Wood advised the Board that the Authority will implement a review process for the costs of acquiring right-of-way owned by an entity affiliated with a board member. He said that Stephen K. Carroll of Norton Rose Fulbright will be retained as outside counsel to provide an opinion on any transaction involving right-of-way owned by an affiliate of a board member. Mr. Wood said that the outside opinion is part of an open and transparent acquisition process to validate that Board members will not receive special treatment in the acquisition process.

CONSIDER AWARDING FINAL ENGINEERING DESIGN AND OTHER CONSULTANT CONTRACTS FOR THE POST OAK BOULEVARD PROJECT.

Mr. Breeding updated the Board on the award of contracts for the design and implementation of the improvements and bus lanes on Post Oak Boulevard. Director Miller discussed the committee formed to provide a greater level of oversight for the dedicated bus lanes project on Post Oak Boulevard. He said that the committee consists of Directors Miller and Debrovner, representing the Authority, and Directors Mooz, Wulfe and Lerner representing the District. He said that the committee will oversee the progress of the project including review of design costs and work orders.

Director Taylor moved that the Board approve awarding contracts. Director Zadok seconded the motion, which was approved by unanimous consent.

CONSIDER APPROVAL OF A MEMORANDUM OF UNDERSTANDING BETWEEN METROPOLITIAN TRANSIT AUTHORITY, THE CITY OF HOUSTON, TIRZ 16, THE UPTOWN DEVELOPMENT AUTHORITY AND THE DISTRICT.

Mr. Breeding updated the Board on the Town Hall meeting held on July 21, 2014 at the Hilton, which was attended by over 200 people. He said the Town Hall meeting was requested by U.S. Representative John Culberson to provide an opportunity for public comment on the bus lanes project.

Mr. Breeding said that the MOU was revised as requested by Representative Culberson to provide that METRO's interest in the project be limited to bus operational matters. He said that the land will be owned by the Authority. He also said that METRO will provide resources to modify the Northwest Transit Center to accommodate the buses, and review and provide technical comments related to the dedicated bus lanes, bus stops, passenger shelters, transit terminal and other transit elements prior to construction. In addition, he said that METRO will provide technical comments regarding utilities proposed to be located within four feet of the dedicated bus lanes. He said that the City will retain control and operation of all traffic signal systems.

Mr. Breeding also said that the MOU was revised to provide that dedicated bus lanes are not a precursor to light rail transit. After discussion, Director Lerner called the item to question and the Chair requested a motion. Director Lerner then moved that the Board approve the Memorandum of Understanding between the Metropolitan Transit Authority, the City of Houston, TIRZ 16, the Uptown Development Authority and the District. Director Mooz seconded the motion, which was approved by unanimous consent. A copy of the MOU among the City, METRO, the District, the Authority and the TIRZ is attached.

CONSIDER APPROVAL OF A MEMORANDUM OF UNDERSTANDING BETWEEN TEXAS DEPARTMENT OF TRANSPORTATION, METROPOLITIAN TRANSIT AUTHORITY, TIRZ 16, AND THE UPTOWN DEVELOPMENT AUTHORITY.

Mr. Breeding reviewed the MOU with TxDOT regarding potential funding for the I-610 Dedicated Bus Lane Facility from Post Oak Boulevard to I-10. He said that the facility, as designed, will not support a rail component. After discussion, Director Wulfe moved that the Board approve the Memorandum of understanding between the Texas Department of Transportation, the Metropolitan Transit Authority, TIRZ 16, and the Uptown Development Authority. Director Taylor seconded the motion, which was approved by unanimous consent. A copy of the MOU among TxDOT, METRO, the District, the Authority and the TIRZ is attached.

There being no further business to come before the Board, the meeting was adjourned.

(SEAL)

Secretary, Board of Directors